



PSC NEWS

Missouri Public Service Commission

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PSC APPROVES LACLEDE GAS COMPANY'S REQUEST TO ADJUST CUSTOMER BUDGET BILLING PLANS

Jefferson City (November 5, 2003)---The Missouri Public Service Commission has granted a variance and expedited treatment to Laclede Gas Company to adjust budget billing plan amounts for various budget billing customers of the natural gas company.

Laclede Gas Company's current Budget Billing Plan only allows Laclede to adjust Budget Billing Plan amounts for customers under the plan twice a year, once in January and once in July. Laclede Gas Company had filed for a one-time variance so that the natural gas company could reduce its Budget Billing Plan amounts beginning with customer bills to be mailed on November 6, 2003.

The PSC Staff filed a memorandum on October 29, 2003, recommending the request be approved. Staff stated that Laclede's proposal would result in Budget Billing Plan payments that more closely reflect Laclede's cost of supplying gas. In addition, the PSC Staff believes a variance now could reduce the amount of over-recovery Laclede might have to adjust for in January when the Budget Billing amounts are again reviewed. Staff further noted that the variance would reduce Budget Billing Plan payment amounts for consumers at the beginning of the winter heating season, and would also allow Laclede to adjust its Budget Billing Plan payment about the same time it revises its Purchased Gas Adjustment rates for customers not on the Budget Billing Plan.

Approving Laclede's application, the Commission stated in its decision: "The Commission finds Laclede has shown a benefit of reduced rates for its Budget Billing Plan customers, and reduction of over-recovery from those customers, if the Commission grants Laclede's Motion for Expedited Treatment. The Commission will grant the motion."

Budget Billing is a voluntary program offered by various utility companies. It allows customers to spread natural gas costs over a 12-month period. Budget billing amounts may be adjusted at various times during the 12-month period. This program is designed to help the customer avoid price spikes during the winter months.

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